

MINUTES
CITY COUNCIL MEETING
December 19, 2011
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor Stiehm. Council Members Jeff Austin, Brian McAlister, Steve King, Roger Boughton, and Marian Clennon. Council Member-at-Large Janet Anderson.

MEMBERS ABSENT: Judy Enright

STAFF PRESENT: Tom Dankert, Jeanne Howatt, Craig Hoium, Jon Erichson, Steven Lang, David Hoversten, Mickey Healey, Kim Underwood, Ann Hokanson, and Brian Krueger.

OTHERS PRESENT: Post Bulletin, Austin Daily Herald. Austin Utilities General Manager Mark Nibaur.

The meeting was called to order at 5:30 pm.

Added to the agenda: Awarding of Finance plaque.

Moved by Council Member McAlister, seconded by Council Member King, adopting the agenda as amended. Carried.

Moved by Council Member Boughton, seconded by Council Member Austin, approving the minutes of December 5, 2011. Carried.

Moved by Council Member King, seconded by Council Member Austin, approving the Consent Agenda as follows:

Licenses:

2012 License Renewals (A copy of complete list is available in Council Chambers.)

Claims:

- a. Financial and Investment Reports.
- b. Pre-list of Bills.

Carried.

Mayor Stiehm presented Tom Dankert a plaque for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This is the 26th year the City has received this award.

(The next item on the agenda was taken out of order for the benefit of Mark Nibaur.)

Mark Nibaur, general manager of Austin Utilities, has requested Council authorize the termination of a capacity purchase agreement between Southern Minnesota Municipal Power Agency (SMMPA) and Austin Utilities. The Utilities Board and SMPPA have both approved this agreement, as has the Committee-of-the-Whole.

Moved by Council Member Austin, seconded by Council Member Boughton, adopting a resolution authorizing the termination of a capacity purchase agreement between SMMPA and Austin Utilities. 6-0. Carried.

The City has received bids for asbestos abatement at 1402 2nd Street NW to prepare the structure for demolition as part of the flood mitigation program. Bids were as follows:

Asbestrol, Inc.	\$10,442.00
MAVO, Inc.	\$17,840.00
Safe Air Systems, LLC	\$19,675.00

The project will be funded using 50% of a DNR grant and 50% from the Local Option Sales Tax.

Moved by Council Member Austin, seconded by Council Member McAlister, awarding the bid to Asbestrol, Inc. in the amount of \$10,442.00. 6-0. Carried.

A public hearing was held on the 5-Year Capital Improvement Plan for years 2012 through 2016. The Plan is a list created in collaboration with department heads and the city council of projects and items they would like. These projects are all contingent on funding. If grants are not received for some, they will not be accomplished. The total dollar amount for all the projects is \$102.9 million. This includes all projects – flood mitigation, Wastewater Treatment Plant upgrades, Central Garage, streets, etc. Finance Director Tom Dankert said a list of unscheduled projects is included for which there is no funding for yet. He stated that about \$11.5 million of the total would come from the tax levy; the Plan is heavily dependent on grants.

Council Member Boughton questioned if there would be any dollars, any uncommitted funds, for any potential project coming out of Vision 2020. Mr. Dankert stated that the Plan does include Vision 2020 projects but that it is unfunded at this time. He added that the good news is that the payment for the Mower County Justice Center out of the Building Fund is almost complete. That will free up money to be used towards these Vision 2020 projects if Council desires.

Council Member Clennon questioned the use of city money towards Vision 2020 as she thought it was a community project. She noted that Dubuque representatives stressed that city government not be involved. Mr. Dankert stated that as staff prepared this Plan, they envisioned some projects coming to the city for funding. Mayor Stiehm said Dubuque didn't say they weren't involved but that there was minimal involvement. Dubuque may have contributed something like \$200,000 to the project. (Pertaining to Vision 2020), we want to keep things open.

Mr. Dankert stated that this Plan puts in place the 2012 projects, and the 2013-2016 projects are more of a guide, a moving target.

Council Member Clennon questioned the need for an addition to storage for impounded cars. Police Chief Brian Krueger said the current cold storage used for impounded cars is full. He said

the department seizes many cars for DWIs, etc., some of value, and that they need the space so the vehicles aren't vandalized. They have budgeted \$65,000 to add onto the current facility. The vehicles are auctioned off a couple times per year. When Council Member Clennon questioned why more frequent auctions aren't held, Chief Krueger said cannot legally auction them off until the cases have gone through the court system. There is room for 25-30 cars, and they would like to double that storage.

City Administrator Jim Hurm relayed that Council Member Judy Enright is very pleased with the CIP and encourages Council to adopt it.

As for Vision 2020 and the Dubuque process, Council Member McAlister stated that the citizens in Dubuque carried out the process but in the end, the projects would have to have some type of government involvement to make those things happen.

There were no other comments.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution to adopt the 5-Year Capital Improvement Plan. 6-0. Carried.

Moved by Council Member Boughton, seconded by Council Member Austin, adopting a resolution granting 2012 licenses for sale of hard liquor on-sale, Sunday hard liquor on-sale, Sunday wine on-sale, and 3.2 beer on and off-sale. 6-0. Carried.

The City is requested to pass an insurance waiver as part of the annual insurance renewal. The action limits potential liability.

Moved by Council Member Austin, seconded by Council Member McAlister, authorizing the City Recorder to sign an insurance waiver which states that the City does not waive statutory tort limits. Carried.

The City is requested to approve wage rates for seasonal and part-time positions. Mr. Hurm stated that the parking enforcement and crossing guard wage rates have been adjusted this year; all other rates remain the same.

Council Member Clennon asked if we are using as many volunteers as we can instead of paying Park & Rec employees, for example, the paint crew. Park & Rec Director Kim Underwood said volunteers are asked to do various projects like planting trees and mulching, but finding volunteers for 40 hours per week would be tough.

Moved by Council Member King, seconded by Council Member Austin, adopting a resolution setting positions and policy for 2012 for administration of wage rates of seasonal and part-time positions not covered by a labor agreement. 6-0. Carried.

One change is being made to the voluntary furlough policy for 2012: any additional furlough hours over 96 in a calendar year will need prior approval.

Moved by Council Member Boughton, seconded by Council Member King, setting the policy for voluntary furlough for 2012. Carried.

Moved by Council Member Austin, seconded by Council Member-at-Large Anderson, adopting a resolution setting the mileage reimbursement rate for 2012. 6-0. Carried.

The Committee-of-the-Whole has reviewed and recommended approval of a three-year audit engagement letter with Larson Allen. The first two years would freeze the cost of the audit at the 2011 rate (\$41,160); the last year, the audit cost will increase \$300 (\$41,460).

Moved by Council Member Austin, seconded by Council Member King, approving the audit engagement letter with Larson Allen for 2012. Carried.

Finance Director Tom Dankert requests Council's approve to call (pre-pay) 2015-1018 maturities of the 2002A bonds (totaling \$320,000) effective February 1, 2012. The current rate on the bonds is 4%. Mr. Dankert proposed using the Building Fund to pay this off. We will save \$60,000 in future interest payments by paying these bonds off early.

Moved by Council Member Boughton, seconded by Council Member Austin, adopting a resolution calling 2015-2018 maturities of the 2002A bonds (totaling \$320,000) effective February 1, 2012. 6-0. Carried.

Moved by Council Member-at-Large Anderson, seconded by Council Member King, appointing Laura Ramirez to the Library Board (replacing Carmen Tribbett), 1-1-12 to 12-31-14. Carried.

Moved by Council Member King, seconded by Council Member Boughton, adopting a resolution approving the Healthcare Savings Plan Addendum to the Wastewater Treatment Plant (UAW-WWTP) labor agreement. 6-0. Carried.

Council is requested to approve a plan and action to accept monetary gifts from the HRA and Main Street Project to reimburse costs of a fire which occurred in the 400 block of North Main Street in January 2009. The Port Authority, on October 26, 2011, authorized the purchase of the property from the City in the amount of \$80,000 for the purpose of economic redevelopment. This action would accept \$22,000 from the Austin Main Street Project and \$33,000 from the Austin Housing & Redevelopment Authority and authorize the transfer of land to the Port Authority. The City could be short \$23,000 or less due to back taxes.

Council Member Boughton asked if the \$55,000 coming to the City from the Main Street Project and HRA is "earmarked". Mr. Dankert said the money would come to the City as revenue to the General Fund, above and beyond the budget. But Council Member Austin said this money is not a gain, just a replenishment of money spent for clean-up of the property. That clean-up money spent in 2009 came out of the Contingency Fund.

Moved by Council Member Austin, seconded by Council Member McAlister, adopting a resolution accepting gifts from the HRA and Main Street Project, and authorizing the transfer of property in the 400 block of North Main Street. 6-0. Carried.

Fire Chief Mickey Healey has recommended implementing a \$50 fee for daycare and foster care inspections. If the Fire Department does not do the inspections, the State Fire Marshall will and then the money would go to the state. Chief Healey said there are 8-10 inspections per year. Firefighters are currently doing these inspections; however, additional training will be required

to charge the fee. This fee is only for the start-up daycares and foster cares, not a new fee for current providers.

Moved by Council Member Clennon, seconded by Council Member Boughton, adopting a \$50 fee for the inspections of start-up daycares and foster cares. Carried.

Moved by Council Member Boughton, seconded by Council Member-at-Large Anderson, accepting October and November gifts to the Austin Public Library. 6-0. Carried.

Moved by Council Member Austin, seconded by Council Member Boughton, resolving the City Council into the Sign Board of Appeals. Carried.

Hormel Foods Corporation is asking for an appeal to the sign ordinance to place a new monument sign at the Hormel Corporate North office. The sign would be placed by the main entrance north before the guard check. The ordinance restricts the square footage of signs in Residential-Office Districts to 25 square feet. The proposed sign would be 42 square feet. The Planning Commission has recommended approval.

Moved by Council Member Boughton, seconded by Council Member Austin, approving the sign appeal for Hormel Foods Corporation. 5-0. 1 Abstention. Council Member Clennon abstained.

Moved by Council Member Austin, seconded by Council Member King, adjourning the Sign Board of Appeals and resolving back into the City Council. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1000 4th Avenue NE, Talamantes property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 302 19th Street NE, Ulwelling property. Carried.

REPORTS:

On December 6, Council Member Clennon testified on redesigning government with the League of Minnesota Cities in front of the House finance committee. In attendance were the directors of the Minnesota Association of Counties, School Boards, and the League of Minnesota Cities (Jim Miller). Mr. Miller discussed the Community Conversations and said the results of those conversations will be released sometime in January. A summary of the redesigning government sessions will also be available in January. Council Member Clennon also attended a board meeting of Minnesota Women in City Government on December 10. The organization will be working on strategic planning in January. And they discussed their annual meeting to be held next June. Council Member Clennon attended a meeting of the Mower County Water Management board last week. The County will be getting a grant to perform inventories of septic systems across the county. Council Member Clennon thanked the 2011 accomplishments of CAB (Community Against Bullying), and also thanked citizens for their comments to her and support in 2011.

Council Member-at-Large Anderson attended last Wednesday's Sustainability Taskforce meeting. They are reviewing the inventory items which will be added to the GreenSteps Cities' website. Some thirty cities have inputted information into that website. Council Member-at-Large Anderson was one of several council members who attended an announcement of a new childcare program at Riverland Community College.

Council Member King congratulated Mr. Dankert for 26 years receiving the finance award. He wished everyone Happy Holidays.

Council Member McAlister attended the last Senior Center Board of Directors meeting. They conducted general business. Their annual meeting will be January 19. And he announced an opening on that board if anyone is interested.

Council Member Austin attended the Park & Rec Board on December 7. They approved the Friends of the Nature Center budget for 2012; he noted that the Friends fund the intern position. The Park & Rec Board is looking at the possibility of renting the outside rinks – perhaps the Galloway Park rink – to individuals or groups who would like to rent the ice. The board is looking at other fees to raise revenue. Council Member Austin noted the City has received a 2011 report on the Spamtown Belle. Thanks to a donation of a local citizen, they have had another year of operation. Council Member Austin also thanked Mr. Dankert for his work in attaining the award. He wished every Happy Holidays.

Library Director Ann Hokanson reported that the Library Board reviewed policies during its December 12th meeting and also reviewed herself. She reported to the board that the building projects include new computers which are being funded by Hormel Foundation grants and gifted memorial funds.

Finance Director Tom Dankert thanked Council and department heads in their help with obtaining the finance award. This helps keep the audit reports at zero percent increases.

Assistant City Engineer Steven Lang gave a PowerPoint presentation on one way we are doing business differently with our sanitary sewer repair options. (*PowerPoint is attached to these minutes.*) Council Member-at-Large Anderson questioned the life estimate of the sewer lining. Mr. Erichson replied that it is 50+ years. The possibility of re-lining the lining would probably be limited, however, because of a decreasing diameter.

City Engineer Jon Erichson received a holiday card from 5R Companies. They thanked the City for the company's largest recycling event (for electronics). There were 10½ semi-truck loads. Mr. Erichson noted this was a project that came together very well in just a couple of weeks, especially since it followed the Re-Fest recycling event.

Mayor Stiehm reminded everyone to vote for the Vision 2020 project ideas which can be found on their website. He wished everyone a Merry Christmas and a Happy New Year.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting to December 5, 2011. Carried.

Adjourned: 6:24 pm

Approved: January 3, 2012

Mayor: _____

City Recorder: _____